



County of San Mateo

Inter-Departmental Correspondence

Department: GOVERNING BOARD

File #: 24-401

Board Meeting Date: 6/11/2024

Special Notice / Hearing: 30-day notice
(newspaper publication)

Vote Required: Majority

To: Honorable Board of Supervisors (Sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo)

From: Raymond Hodges, Executive Director, Housing Authority

Subject: FY 2024-2025 Moving to Work Annual Plan

RECOMMENDATION:

Acting as the Governing Board of Commissioners for the Housing Authority of the County of San Mateo, conduct a public hearing to consider the FY 2024-2025 Moving to Work Annual Plan:

- A) Open public hearing
- B) Close public hearing
- C) Adopt a resolution approving the Housing Authority of the County of San Mateo FY 2024-2025 Moving to Work Annual Plan ("Plan") as set forth in Attachment A and authorizing the Housing Authority Executive Director or Designee, to execute documents related to the Plan submission; and
- D) Adopt a resolution pursuant to the authority provided in such Plan authorizing the award of up to \$16,505,645 of Moving To Work ("MTW") reserve funds to assist in the financing of the Affordable Housing Fund 12.0 affordable housing projects identified to receive awards of MTW funds in Attachment B and authorizing the Housing Authority Executive Director or Designee, in consultation with the County Attorney, to execute such other documents necessary to provide MTW reserve funds to the projects identified in Attachment B.

BACKGROUND:

Moving To Work ("MTW") is a demonstration program that offers participating housing authorities the opportunity to design and test innovative, locally designed housing and self-sufficiency strategies for low-income households by allowing exceptions from certain housing regulations. The MTW program is funded through the U.S. Department of Housing and Urban Development ("HUD") with the goals of increasing administrative efficiencies, encouraging self-sufficiency, and increasing housing choice.

The Housing Authority of the County of San Mateo (“HACSM”) has been an MTW agency since May 2000; we are currently one of 139 housing authorities nationwide with the MTW designation. When HACSM first joined the MTW program, there were 39 participating housing authorities. The increase in the number of housing authorities is a testament to the success of the MTW program.

As an MTW agency, HACSM has created an affordable housing fund to assist in the development of affordable housing, increased HACSM’s percentage of budget authority allowed for the Project-Based Voucher program, developed landlord incentives for new and existing landlords and simplified some program rules for applicants and participants in HACSM Voucher programs.

The MTW program process requires housing authorities to prepare an MTW Annual Plan, obtain input from the public about the Plan and receive approval from the Governing Board of Commissioners for the Housing Authority prior to submitting the Plan to HUD for its review and approval. The MTW Annual Plan includes information such as proposed new activities (if any), status of ongoing activities and discussion of long-term goals and strategies for housing authorities within their communities.

DISCUSSION:

The FY 2024-2025 MTW Annual Plan covers the period of July 1, 2024, through June 30, 2025, and was completed in accordance with HUD regulations and requirements, including that all documents are available to the public for review for a prescribed period prior to adoption by the Governing Board of Commissioners.

A public hearing was advertised in local newspapers on April 29, 2024, and online at the San Mateo County Department of Housing website from May 1 through May 31, 2024; a copy of the proposed MTW Annual Plan was posted on the Department of Housing website starting May 1, 2024, and any public comments received will be incorporated into the final MTW Annual Plan submitted to HUD. HACSM received approval from HUD to extend its MTW Annual Plan submission to June 30, 2024.

For the FY 2024-2025 MTW Annual Plan, HACSM is not proposing any new activities; however, we are proposing to update two activities. The first update is to increase the allocation of MTW funds to the Affordable Housing Fund, with additional funding of up to \$30 million dollars; with this addition, the total MTW funds contributed to the Affordable Housing Fund will be \$65 million dollars. HACSM will continue to utilize this activity to support affordable housing development in San Mateo County.

The second update is to close-out an activity that implemented an asset limit for new applicants and existing participants in HACSM voucher programs. Effective July 1, 2010, if new applicants reported assets exceeding \$100,000 or a present ownership interest in a suitable home in which they had a legal right to reside, they were determined ineligible for the program. If participants experienced an increase in assets of more than \$100,000 or gained ownership interest in real property in which they had a legal right to reside, participants would be determined ineligible for continued assistance.

HACSM is proposing to close out this asset limit activity in FY 2024-2025 due to the implementation of the Housing Opportunity Through Modernization Act (“HOTMA”) provision as described in Notice PIH 2023-27. Similarly, HOTMA requires all housing authorities to impose an asset limit for new applicants and existing participants.

HACSM will continue to monitor and evaluate its 35 ongoing activities.

Further, the FY 2024-2025 MTW Annual Plan authorizes a total amount of up to \$30 Million of MTW reserve funds to assist in the development of affordable housing. Subject to approval of the FY 2024-2025 MTW Annual Plan by HUD, HACSM recommends that this Board, acting as the Governing Board of Commissioners for HACSM, authorize the award of up to \$16,505,645 of the authorized MTW reserve funds to be used to assist in the financing of the Affordable Housing Fund 12.0 affordable housing projects identified to receive awards of MTW funds in Attachment B.

The County Attorney has reviewed and approved the Resolution as to form.

FISCAL IMPACT:

There is no net County cost associated with this action. All funds required to operate the MTW program are provided by HUD.